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House Judiciary Committee

H.R. 5 - The Equality Act

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Good morning Chairman Nadler, Ranking Member Collins and esteemed Members of the Committee. I'm Tia Silas, Vice President, Global Chief Diversity and Inclusion Officer for IBM Corporation. I am responsible for creating and implementing IBM's diversity and inclusion strategy across 170+ countries.

I am honored to speak at today's important hearing on the Equality Act to discuss IBM's long-standing and strong support for the legislation, as well as to provide the Committee with an overview of IBM's proud history of inclusive LGBT+ policies that enable our employees to thrive.

At the outset, I wish to highlight a March 7, 2019 letter of support for the Equality Act that was signed by IBM's Chairman, President and Chief Executive Officer, Ms. Ginni Rometty, in her capacity as Chairman of the Business Roundtable's Education and Workforce Committee, and on behalf of all Business Roundtable member companies and their 15 million employees. In that letter¹, Ms. Rometty states,

"On behalf of the CEO members of Business Roundtable who lead companies with more than 15 million employees, we write in support of the Equality Act.

¹ A copy of <u>the letter</u> is attached to this testimony.

Equality and fairness are core American values. It is these values that lead us to strongly endorse the Equality Act, which will enshrine into federal law clear, consistent and comprehensive protections against discrimination on the basis of sexual orientation and gender identity. As employers, America's leading companies know that our economy works best when our employees can be who they are, without fear of bias, discrimination, or inequality – in the workplace or in their communities. And as Americans, we are firmly committed to the principles of equality and fairness that have distinguished our nation since its founding.

Diversity is a fact, but inclusion is hard work. Most American companies long ago included sexual orientation and gender identity in their non-discrimination polices. It is time for the federal government to make it the law of the land. The Business Roundtable endorses the Equality Act and urges that it be enacted by Congress without delay."

Moreover, IBM is a founding member of the Human Rights Campaign's <u>Business</u>

Coalition for the Equality Act, a coalition of 180+ leading U.S. employers that explicitly supports the Equality Act. Through the Coalition, we are committed to doing all that we can to garner bipartisan support for the legislation and facilitate its passage as quickly as possible. And, we are proud that so many other trade associations to which we belong, including the U.S. Chamber of Commerce, HR Policy Association, Information Technology Industry Council, ERISA Industry Committee, American Benefits Council, Business Software Alliance, and the Consumer Technology Association, also have endorsed the Equality Act.

Business Case for Equality and Affirmative Nationwide Protections

Based on our experience at IBM, which is informed by over 100 years of history, one principle has proven to be true and unchanging: providing equal opportunity for all and eliminating artificial barriers to entry and success are good for our business. This principle was first articulated nearly a decade before the 1964 Civil Rights Act in IBM's Policy Letter#4, originally approved in 1953 and updated regularly, which unequivocally states that our company prioritizes talent and relevant skills in hiring and employment. Nearly 65 years later, our current workforce diversity policy states, "Business activities such as hiring, promotion, and compensation of employees, are conducted without regard to race, color, religion, gender, gender identity or expression, sexual orientation, national origin, genetics, disability, or age." Thus, any and all individuals who apply and are hired for an IBM position are eligible to:

- Apply for jobs and be assessed based on their skills and qualifications for the job.
- Benefit from the same terms and conditions of employment, including training,
 skills development and promotion based on qualifications.

IBM's core business objective is to hire the best, most talented individuals regardless of their gender identity, sexual orientation, religion or other personal characteristic. Anything that interferes with our ability to attract, retain and develop the most skilled, experienced and most competent workforce is bad for our business. Let me outline why this is the case.

 Diversity of talent ensures maximum creativity. In order to remain one of the leading companies in the world, we seek to recruit, hire and retain the best talent

² https://w3-03.ibm.com/ibm/documents/corpdocweb.nsf/ContentDocsByTitle/Corporate+Policy+117

- anywhere. The most creative and productive minds most certainly are not defined by sexual orientation and gender identity, nor any other singular factor.
- We value a workforce that reflects the diversity of society so we can effectively
 incorporate different viewpoints, perspectives and experiences into the
 development of new ideas and solutions that are both relevant and revolutionary
 for business and society.
- We don't want our employees and their families to be limited in where they can safely and comfortably live and work. IBM is a nationwide employer, and IBMers reside in nearly all 50 states and territories. It is imperative to our company's success that they be able to continue doing so without fear to their personal safety and security, as well as without legally sanctioned discrimination in areas outside the workplace that affect their everyday lives.
- Because many LGBT+ people do not know how people will react to their sexual orientation, gender identity or gender non-conforming status, they often choose not to reveal their orientation or identity. They may spend their days being "on guard," so as to not inadvertently reveal their LGBT+ status. This can consume a lot of energy, create stress and distract an individual from being productive and focused members of our community. Providing affirmative non-discrimination protections, as outlined in the Equality Act, ensures equal opportunity and access for all and guards against tangible negative ramifications both inside and outside the workplace for our LGBT+ colleagues, friends and neighbors.
- An employee's decision about where and for which firm to work often are not only individual decisions; rather, they become family decisions. In order for families to

thrive, we believe that non-discrimination protections on the basis of sexual orientation and gender identity should be extended to areas outside of the employer's four walls, namely in housing, public education, access to credit, access to public services and spaces, and jury service.

- Like other companies, IBM's business location and investment decision-making process factors in discrimination-related legislation and policies. By way of example, in 2017, when the Texas State Legislature considered a discriminatory 'bathroom bill' that would have prevented individuals from using restrooms or public facilities consistent with their gender identity, IBM for the first time made explicit the negative consequences of such legislation on future business investments and education initiatives in the state. Texas has IBM's second largest employee population in the U.S. and hosts some of our most significant investments worldwide.
- The United States already faces a shortage of qualified and experienced talent in key technology growth areas, such as artificial intelligence, blockchain, quantum computing, cybersecurity, healthcare, etc. It is in the best interest of the country to ensure that *all* talented individuals have equal opportunity and are able to pursue careers in these and other critical fields without being subject to discrimination based on sexual orientation, gender identity or any other personal characteristic, both in and outside of the workplace.

IBM Supports Expansion of Protections under U.S. Law

The Equality Act tracks state level statutes that already have proven successful.

Twenty-one states, the District of Columbia, and nearly 200 local governments, large and small, already prohibit employment and housing discrimination based on gender identity.

Twenty states prohibit discrimination in public accommodations on the basis of gender identity. And, roughly 400 cities and counties in the United States have implemented non-discrimination laws for sexual orientation and/or gender identity. Many of these laws have been around for years, or even decades – Minnesota adopted its protections for transgender people more than 25 years ago. Moreover, the Equality Act's definition of gender identity closely tracks with many state and local laws.

At the same time, we are extremely concerned about the patchwork of protections, as well as too many affirmatively anti-LGBT+ discriminatory state and local laws. The inconsistency and multiplicity of statutes, both positive and negative, begs for a federal minimum standard of basic protections that extends to all LGBT+ individuals nationwide. This is inherently timely and necessary for continued strong economic growth of American companies.

Where laws are lacking in consistency and clarity, agencies and courts have stepped in to address the gap. This is far from ideal. The inconsistencies in U.S. laws are unfair to members of the LGBT+ community. And, they are harmful to employers, large and small, throughout the country. This patchwork of laws and legal interpretations creates uncertainty and unpredictability for employers and employees alike, which is bad for business.

Simply put, individuals should not be subjected to different treatment based on what city or state in which they happen to be. It is time that we recognize that our longstanding commitment to equal protection of the laws requires that we meet this need head on and pass federal legislation extending these basic protections to all regardless of where they work, live or travel within our great country.

IBM's Weighs In on Judicial Matters to Support LGBT+ Equality

IBM repeatedly has demonstrated its commitment to oppose discriminatory legislation and policies that harm our employees and their families where they work, live and attend school. Notably, as detailed below, IBM's advocacy has included participation in several *amicus curiae briefs* on behalf of businesses opposing a discriminatory bathroom bill, challenging a state statute purporting to protect religious freedom but which enabled discrimination on the basis of sexual orientation and gender expression, and opposing school policies that prohibit transgender students from using the restroom consistent with their gender identity.

- 1. United States v. North Carolina, M.D.N.C. 1916 -- IBM joined an *amicus curiae brief* opposing North Carolina's "Bathroom Bill," HB2, which required individuals using government run facilities to use restrooms and locker rooms consistent with their biological sex assigned at birth rather than their lived gender identity.
- 2. Barber, et al v. Bryant, et al., 6th Circuit 2016 --IBM joined an *amicus curiae brief* challenging Mississippi HB 1523 which, under the guise of religious freedom, prohibited state action against individuals and religious organizations who deny services based on religious beliefs concerning marriage and gender identity, thereby sanctioning discrimination against LGBT+ individuals.
- 3. Gloucester County School Board v. GG ("Grimm") U.S. S. Ct 2016; also G.G. v. Gloucester County School Board, 4th Circuit. 2017 -- IBM joined *amicus curiae briefs* challenging Virginia high school policy that prevented transgender students from using the school restroom consistent with their gender identity.

- 4. Doe v. Highland Local School District, 6th Circuit 2017 -- IBM joined an *amicus curiae* brief arguing that a transgender student in Ohio should have the right to use the restroom consistent with her gender identity.
- 5. Adams v. School Board or St. Johns County, Florida, 11th Circuit 2019 -- IBM joined an *amicus curiae brief* opposing a Florida policy that prohibited transgender high school students from using the restroom consistent with their gender identity.

IBM & Pro-LGBT+ Advocacy

When proposed government action has been in fundamental conflict with our values and our business interests, we've engaged with government officials directly and publicly to make our views known, opposing various state laws and executive actions and working to preserve existing protections where they are under threat. We actively influenced legislation and policy in Louisiana, North Carolina, and Texas. And over the past year, we have engaged in countries such as Northern Ireland, Taiwan, Israel, and Japan to support marriage equality referenda.

We will continue promoting and defending LGBT+ rights around the world. Moreover, we will continue to foster and grow a shared corporate culture in which global diversity – including diversity of thought – remains central to our company and its values.

IBM's Suite of Support for LGBT+ Individuals

IBM has a long history of LGBT+ workplace equality. As early as 1984, we included sexual orientation in our non-discrimination policy. In 1995, we established an LGBT+ executive task force that today is known as the Global LGBT+ Council and is focused on making IBM a safe and desirable workplace for all people. In 1997, we extended same-sex domestic partner benefits for all U.S. employees, and we now offer these benefits in nearly 50 countries. In 2002, gender identity and expression were added to IBM's Global Equal Opportunity Policy. In 2006, IBM introduced the voluntary self-identification system within our official HR Management System. In 2011, the first IBM LGBT annual report was published and distributed. In 2017, we introduced a new symbol of our ongoing advocacy of diversity, acceptance, inclusion and equal opportunity —a rainbow version of IBM's iconic 8-bar logo. This was the first time in our history that we modified our corporate logo. In 2018, IBM published a white paper with a first-ever framework for supporting employee gender transition journeys in the workplace. This paper has been translated into five languages. Also in 2018, we launched the LGBT+ Ally Championship Practitioner Badge, an employer certification for employees and non-IBMers, alike. This badge also is a first-of-itskind commercial offering and is earned by allies of the LGBT+ community who have demonstrated a level of volunteer effort and advocacy that support IBM's diversity, talent and business priorities. Finally, for the past sixteen years, IBM has scored 100% on the Human Rights Campaign Corporate Equality Index.

Beyond our notable achievements and the many awards we have received for our inclusive policies, we support our employees and their families in other ways.

- IBM offers transgender-inclusive healthcare benefits.
- We offer gender affirmation treatment benefits in nine countries.
- We provide new hires and supervisors with LGBT+ awareness training.
- We maintain 52 LGBT+ employee resource and affinity groups around the world.
- We conduct LGBT+ employee and business partner recruitment worldwide.
- We have certified LGBT+ suppliers that are part of our supplier diversity program.
- We require all U.S. contractors to comply with LGBT+ non-discrimination standards.
- We have launched employee and general public training and certification programs about LGBT+ inclusivity.
- IBM proudly sponsors an LGBT+ Executive Council. This council includes leadership from a senior vice president who reports directly to IBM's Chairman, signifying IBM's top executive support for LGBT+ inclusion.
- In addition to the SVP sponsor, we have a community of LGBT+ executives who
 drive strategic LGBT+ priorities across the business and re-establish new priorities
 annually.
- IBM employs a fully dedicated HR leader who manages LGBT+ inclusion initiatives across the globe.
- IBM annually conducts a succession planning review of LGBT+ talent ensuring that LGBT+ employees have equal access to learning, development and career path opportunities.

IBM sponsors a voluntary mentoring experience for IBM leaders and managers who
are interested in learning more about LGBT+ topics, including the use of appropriate
language, role modeling inclusive behavior and sharing inclusive practices among
teams.

Conclusion

IBM works hard to promote and provide equal opportunity within our working environment. In addition to training our employees about our expectations for personal conduct and best practices for working to ensure a comfortable and inclusive working environment, we also educate our workforce about our different backgrounds, including cultural practices, because we believe employees who are comfortable bringing their whole selves to work will be productive, innovative and successful.

However, our policies and strong support for fostering inclusive work environments go beyond employment practices and protections. As a company, we understand that to attract the best talent from around the world, we have to create and nurture a culture – both inside and outside of work – where employees can bring their authentic selves to work every day. That is why we strongly support the Equality Act and the extension of the protections it proposes across so many critical areas of society. It is absolutely essential that this Act become law. Our country's future economic success depends on it.

Thank you, once again, for the opportunity to testify before you today. I look forward to answering any questions you may have.